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PEOPLES TWP LLC

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Via Overnight Delivery

July 5, 2012

Rosemary Chiavetta
Executive Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

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JUL 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re: Docket Number: L-2009-2107155
Comments of Peoples Natural Gas LLC and Peoples TWP LLC to Rulemaking to Amend
52 Pa. Code §59.18 Meter Location

Dear Ms. Chiavetta:

Enclosed for filing, please find an original and fifteen (15) copies of the Comments on behalf of Peoples Natural Gas LLC and Peoples TWP LLC in re. Docket Number L-2009-2107155. Please contact the undersigned at (412) 208-6834 should you have any questions or concerns regarding this matter.

Very truly yours,

Jennifer L. Petrisek
Senior Attorney

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BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Rulemaking Re Amendment to :
52 Pa. Code §59.18 Meter Location : Docket No. L-2009-2107155

**COMMENTS OF PEOPLES NATURAL GAS LLC
AND PEOPLES TWP LLC**

Peoples Natural Gas LLC and Peoples TWP LLC (collectively "Peoples") hereby submit their combined comments on the Commission's Proposed Rulemaking Order dated July 28, 2011, regarding amending 52 Pa. Code §59.18 Meter Location (hereinafter "Proposed Order"). The Commission, through the Proposed Order, proposes to (1) align existing state regulations with the current Title 49 Code of Federal Regulations as previously ratified and adopted by the Commission, (2) allow natural gas utilities to have sole determination for meter set (meter and regulator) location which determination should be based upon the interest of public safety, (3) require the natural gas distribution companies to relocate current inside regulators, which are connected to steel service lines, to the outside within ten years, with certain exceptions related to "historic districts" and "high risk vandalism districts", and (4) create two alternatives to the requirement for relocating inside meter sets to the outside – (a) installing Excess Flow Valves on steel service lines; or, (b) relocating inside regulators (as opposed to the entire meter set) to the outside if the meter set is connected to a steel service line.

On this date, the Energy Association of Pennsylvania ("EAP") filed comments on behalf of its natural gas distribution company members. Peoples has signed onto those comments and supports the analysis of EAP and their suggested revisions to the proposed regulations. Peoples particularly supports the EAP's requests that the Commission reconsider the entirety of the revisions proposed in light of the various reasons EAP set forth in their Comments. Peoples is likewise concerned that the proposed regulations impose additional regulatory requirements

beyond those established in federal regulations, previously adopted by the Commission, as well as removing the discretion of the utility to place the meter in manner that is both safe, economical and practicable. In addition to the revisions suggested by EAP, Peoples proposes the revisions outlined below.

A. Meters are to be installed at the service regulator.

The Proposed Order provides for the following insertion into 52. Pa. Code 59.18(a)(2):

Meters shall be installed at the service regulator. When more than one meter is set on a particular premises, they shall be set at one location. When it is necessary to install meters at multiple locations on the premises, the utility operator shall provide a tag or other means to indicate there are multiple meter locations.

Peoples generally agrees with the proposed language, however, there are instances in which it is not practicable, feasible or economical to install the meter and the service regulator together. For example, in certain instances, for larger customers with remote meter sets and long service lines served from medium pressure mains, the meter may be installed near the main line and the service regulator is then installed at the building. This design arrangement allows the service line to operate at a higher pressure and thus utilize a smaller pipe. The service regulator cutting the pressure from pounds to ounces is installed near the building. This type of design arrangement will allow a larger customer to minimize the expense associated with installing service lines at their property as the smaller service line is typically less expensive.

This aforementioned is just one example of a unique station in which it may be beneficial to the customer or the utility to install the meter and service regulator separately. Certainly the utility would take safety in consideration when discussing the design of the meter and service regulator in a situation such as this. As these unique situations will arise, Peoples suggests that the language in Section 59.18(a)(2) be amended as noted in bolded italics below:

When feasible and practicable, the meter shall be installed at the service regulator. When more than one meter is set on a particular premises, they shall be

set at one location. When it is necessary to install meters at multiple locations on the premises, the utility operator shall provide a tag or other means to indicate there are multiple meter locations.

B. Meters are not to be installed beneath windows, under stairways, in crawl spaces or near building air intakes.

The Proposed Order provides for the following insertion into 52. Pa. Code 59.18(a)(9):

Meters and service regulators may not be installed in the following locations:

- (i) Directly beneath or in front of windows or other building openings which may be used as emergency fire exits.
- (ii) Under interior or exterior stairways.
- (iii) A crawl space with limited clearance.
- (iv) Near building air intakes.

Peoples agrees with the Comments submitted by EAP regarding subsection (i) of this proposed regulation. EAP points out that there are certain instances in which it is not possible to find a meter placement location that is not near a window or other building opening that could be used as a fire exit. EAP suggests inserting a caveat that meters may be located near these fire exits if measures are taken to eliminate the amount of gas that might enter a building. Peoples supports this suggested language, however, Peoples suggests expanding the proposed language to additionally apply to all of the sub-sections in proposed Section (a)(9) as there may be certain instances where meter placement must occur in a stairway, a crawl space or near a building air intake. In those instances, Peoples recognizes that safety must be carefully considered in designing the meter placements, as well as the installation of apparatus, such as excess flow valves, that will eliminate gas entering a building.

C. Relocation of Meters for Safety Reasons.

The Proposed Order provides for the following insertion into 52. Pa. Code 59.18(a)(10):

When the Commission or a utility determines that a meter or regulator must be moved for safety reasons, all costs associated with the relocation of such meter or regulator shall be borne by the utility. When a utility moves a meter in addition to the regulator, pursuant to this section, the cost of extending customer-owned facilities to the new meter location shall be borne by the utility.

Again, Peoples supports the Comments of EAP related to this section of the Proposed Regulations. However, Peoples believes that the term “safety reasons” should either be defined in the regulations, or be at the discretion of the utility. Peoples suggests that the term “safety reasons” be defined as a situation in which the utility believes, in its reasonable judgment, that the placement of the meter violates a provision of 52. Pa. Code 59.18, the applicable federal standards or which poses a unique safety risk to the occupants of the premise where the meter is located. Modifying the language as suggested will ensure that the utility’s experiences are utilized in evaluating a meter relocation as well as assisting in countering disagreements between the utility and premises owners or safety inspectors over the meter relocation. Of course, if a premise owner disagrees with the Utility’s evaluation of a relocation for safety reasons, the customer can afford itself of the informal and formal customer complaint processes provided for by the Commission.

Additionally, Peoples agrees that the costs associated with meter relocations due to safety concerns should be not be borne by the Customer, unless the customer created, or contributed to, the safety concern. In the instance in which the Customer created the safety concern, the Customer should bear the cost of the relocation – and likewise, if the customer contributed to the safety concern, the customer should bear a partial cost the relocation.

D. Instances in which inside meters are permitted.

The Proposed Order provides for the following insertion into 52. Pa. Code 59.18(c)(1):

Inside meter locations shall be considered only when:

- (i) An acceptable outside location is not available due to restrictions in Federally approved Historic Districts or in high risk vandalism districts.
- (ii) Protection from ambient temperatures is necessary to avoid meter freeze-ups.

In certain instances, it will not be feasible or practicable for the Utility to place a meter inside and still meet all of the requirements of the proposed Section 59.18 as well as Federal regulations and guidelines. As such, Peoples suggests that a third exception be inserted into the regulations which would provide for inside placement of a meter when outside placement is not safe, practicable or feasible. Peoples suspects that those instances will be few and far between, however, the utility must be provided with the ability to use its discretion and operational knowledge in placing or relocating meters.

E. Regulators shall be located outside when a meter is located inside.

The Proposed Order provides for the following insertion into 52. Pa. Code 59.18(c)(2):

Regulators shall be located outside when a meter is located inside.

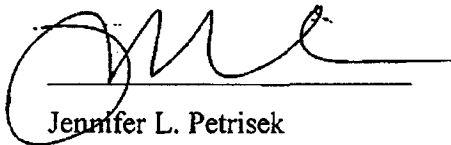
In certain instances, due to design limitations or economic constraints, the meter and regulator must be placed inside the premises. Although Peoples believes these instances are rare, Peoples suggests that the language of section (c)(2) should provide that regulators may either be located outside, or in the situations in which they must be, or are already located inside, then the regulator pipe must be vented outside of the premise.

CONCLUSION

Peoples appreciates the opportunity to comment on the Commission's proposed regulations relating to gas meter location. While Peoples generally supports the placement of meters outside of the structure, there are instances in which outside meter placement is not feasible, practicable or economical. As such, Peoples supports revising the proposed regulations to provide for the utility to use its reasonable judgment in placing certain meters inside. Of course, at all times when evaluating meter and service regulator placement, Peoples will take the safety of the premises and their occupants carefully into consideration.

Respectfully submitted,

**Counsel for Peoples Natural Gas LLC
and Peoples TWP LLC**



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Dated: July 16, 2012